

**TENNESSEE GENERAL ASSEMBLY  
FISCAL REVIEW COMMITTEE**



**FISCAL NOTE**

**HB 1770**

January 29, 2018

**SUMMARY OF BILL:** Prohibits candidates for state and local office from loaning more than \$100,000 to their own campaigns per election and from charging interest on any loan made by the candidate to their own campaign.

**ESTIMATED FISCAL IMPACT:**

**NOT SIGNIFICANT**

Assumptions:

- The proposed legislation would limit the amount a candidate could loan to their campaign and prohibit the charging of interest on any such loan.
- Violation of these prohibitions will be a class two offense, punishable by a civil penalty up to \$10,000 or 115 percent of the amount of funds invested in violation of the proposed requirements.
- Pursuant to Tenn. Code Ann. § 2-10-110(b), any penalties imposed are deposited into the state General Fund.
- Pursuant to Tenn. Code Ann. § 2-10-110(a)(2)(A), candidates who are in violation of other class two offenses have up to 10 business days following notification by the Tennessee Registry of Election Finance to correct omissions on campaign finance disclosure forms to avoid assessment of the penalty.
- Any candidate, upon being notified of a violation, will correct errors prior to being assessed a penalty; therefore, any increase in state revenue is estimated to be not significant.
- The proposed campaign finance prohibitions will not result in any significant fiscal impact to state or local government.

**HB 1770**

**CERTIFICATION:**

The information contained herein is true and correct to the best of my knowledge.

A handwritten signature in dark ink that reads "Krista M. Lee". The signature is written in a cursive, flowing style.

Krista M. Lee, Executive Director

/jrh